

AVERAGE WEEKLY EARNINGS, DECEMBER QUARTER 1977 (PRELIMINARY)

INQUIRIES

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MAIN FEATURES

- . The preliminary estimate of average weekly earnings per employed male unit for the December quarter 1977 is \$213.60. (This is an estimate of the average earnings, before tax, of all male civilian employees in Australia, including the highest paid as well as the lowest.)
- . In seasonally adjusted terms the estimate is \$205.50, 0.4 per cent higher than in the September quarter and 9.7 per cent above the figure for the December quarter last year.
- . The increase in the average earnings for the quarter is believed to be lower than would have occurred but for the loss of wages in the electricity supply dispute in Victoria.

EXPLANATORY NOTES

Introduction

This preliminary statement contains estimates of the average weekly earnings of civilian male employees for Australia. It should be noted that the estimates for the most recent quarter are preliminary and are likely to be revised when the more detailed publication *Average Weekly Earnings* (6302.0) is issued.

Definition of earnings

2. The earnings figures used in the calculation of the averages comprise award and over-award wages and salaries, the earnings of employees not covered by awards, overtime earnings, bonuses and allowances, commissions, directors' fees and payments made retrospectively or in advance during the quarter. Earnings of managerial and executive staff, of part-time as well as full-time employees, and of juniors as well as adults, are included.

Method of estimation

3. For industries other than agriculture and private domestic service, particulars of employment and wages and salaries are derived from payroll tax returns and from direct returns from government and other bodies. These returns account for approximately 90 per cent of wage and salary earners in these industries, as published

monthly in the bulletin *Employment and Unemployment* (6213.0). Estimates are made for the unrecorded balance.

4. For employees reported on more than one payroll, all reported wage and salary earnings are included in the calculation of averages.

Male units

5. Particulars of wages and salaries paid are not available for males and females separately from the sources used for this series; average weekly earnings have therefore been calculated in terms of *male units*, i.e. total male employees plus a proportion of female employees, the proportion being derived from the estimated ratio of female to male average earnings.

6. The ratio used at present is 67 per cent. Changes in this ratio may be necessary from one quarter to the next to reflect, for example, the extension of equal pay provisions, or appreciable and sustained changes in the levels of male overtime earnings. However, small differences in the ratios have relatively little effect on the earnings figures; if the ratio is understated by one per cent then average weekly earnings of \$200 would be overstated by about 70 cents.

Seasonally adjusted estimates

7. Quarterly figures are affected by seasonal influences. For example, special payments, including prepayment for holiday periods, tend to raise the December quarter and to depress the March quarter averages. In addition, figures are affected by the varying number of pay-days in different quarters. Allowance for these variations, and for recurring seasonal influences, has been made in calculating the seasonally adjusted estimates.

8. The seasonal adjustment factors are derived from a series from which the influence of major changes in awards and determinations and estimates of the effects of pay-day variations has first been removed. While the seasonally adjusted series retain the effect of the major award, etc. changes, the pay-day effect is excluded. A detailed description of the methods of seasonal adjustment is given in *Seasonally Adjusted Indicators*, (1308.0).

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AVERAGE WEEKLY EARNINGS PER EMPLOYED MALE UNIT (a) : AUSTRALIA

Quarter	Original \$	Seasonally adjusted (b) \$	Quarterly change (c) %	Annual change (d) %
1974 -				
March	113.30	119.30	+3.4	+17.0
June	128.70	127.30	+6.7	+18.9
September	138.40	140.50	+10.4	+25.0
December	154.40	147.70	+5.1	+28.0
1975 -				
March	143.80	151.50	+2.6	+27.0
June	156.40	154.70	+2.1	+21.5
September	157.60	159.40	+3.0	+13.5
December	175.70	166.90	+4.7	+13.0
1976 -				
March	165.30	171.10	+2.5	+12.9
June	179.80	178.80	+4.5	+15.6
September	184.80	184.90	+3.4	+16.0
December	195.50	187.40	+1.4	+12.3
1977 -				
March	183.80	192.10	+2.5	+12.3
June	199.00	198.40	+3.3	+11.0
September	204.20	204.60	+3.1	+10.7
December(e)	213.60	205.50	+0.4	+9.7

(a) See explanation in paragraphs 5 and 6. (b) See paragraphs 7 and 8. (c) Percentage change over previous quarter in the seasonally adjusted series. (d) Percentage change over same quarter of previous year in the seasonally adjusted series. (e) Preliminary estimates, subject to revision.

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